

LEARN ABOUT PENSION PLAN PAYMENT OPTIONS



Congratulations; you are one of the fortunate retirees to receive income from a company retirement plan!

At the Principal Financial Group®, our goal is to provide you with outstanding service. As a leading provider of defined contribution plans, we help people manage their retirement funds every day.* Your employer chose us to help make sure you receive your benefit payments when due, without fail.

This quick-reference guide provides you with answers to frequently asked questions regarding your benefit payment. Should you need additional information, do not hesitate to use the service options outlined here.

Frequently asked questions

How and when can I contact you?

You may contact us through any of the following:

- **Internet:** principal.com
- **Phone:** You can speak with one of our retirement specialists by calling 1-800-247-7011, available Monday through Friday from 7 a.m. to 5 p.m. CT. Non-U.S. retired participants can call 515-247-7820.
- **Mail:** P.O. Box 4926, Grand Island, NE 68802-4926
- **Fax:** 1-888-718-5921

Is my retirement income considered taxable income?

Unlike Social Security benefits, most pension payments are taxable, just as your salary or income is taxable before you retire. You will receive an IRS Form 1099-R from us for each year you receive pension payments as required by federal regulations. The form will include the total amount of pension or annuity payments you received and the total amount of income tax withheld during the year. Please contact your tax advisor with questions about withholding or the taxation of your benefits.

Can deductions be made from my pension payment for insurance or other expenses?

Yes, we can make deductions for your life or medical insurance as well as federal and state tax withholding. Call us for more information.

When will my check be mailed?

We will mail your check four business days prior to your payment due date to make sure you receive it on time. If you don't receive your check, please wait seven business days after your payment due date before you contact us. For a more secure and timely way of receiving your payment, we offer direct deposit to your financial institution.

How do I set up direct deposit for my pension payment?

You may request direct deposit by using the *Personal* login at principal.com or by calling us. We will need your financial institution's routing number and your checking or savings account number.

When will my direct deposit payment arrive at the financial institution?

Your payment is submitted electronically to your financial institution on or before your payment due date. If your payment due date falls on a weekend or bank holiday, we'll submit your payment to your financial institution on the business day prior to the weekend or holiday. We suggest you check with your financial institution about specific timing issues and when funds will be available.

Will I receive written notification that my payment has been deposited into my financial institution account?

No. You will receive a written direct deposit notification only if there is a change in the amount deposited to your financial institution account, i.e., if you change your tax withholding information. You can access your current payment and prior three payments history through the Internet at principal.com.

Do you need my current address if my payment is set up for direct deposit?

Yes, so that future correspondence reaches you promptly; such as when we mail your IRS Form 1099-R each January.

How can I make changes to my address, financial institution account information, withholding, name, and/or beneficiary?

You can submit your changes by using the *Personal* login at principal.com or by calling our retirement specialists. To protect your payment from fraud, we will ask you to verify specific information.

If I become disabled or unable to manage my affairs, who should my family members or loved ones contact?

A family member or loved one should contact a retirement specialist as soon as they can.

Service options

The following service options are available for quick and easy access to your pension payments from The Principal®.

The Principal website — your online resource

To view account information:

- Log on to principal.com
- Select login type as “Personal” and click “Go”
- Enter your Username, verify your Login Image and Phrase and enter your Password

If you don't have a password, call us at 1-800-247-7011 Monday through Friday, between 7 a.m. and 5 p.m. CT so that we can assist you with the process or answer any questions you may have. Non-U.S. retired participants can call 515-247-7820.

Retirement specialists

At The Principal we want to make sure that when you need to speak to someone directly regarding your pension payments, there is a person you can call. Our retirement specialists are trained to help answer your questions. Call us at 1-800-247-7011 from 7 a.m. to 5 p.m. CT Monday through Friday. Non-U.S. retired participants can call 515-247-7820.

*Based on number of recordkeeping plans, PLANSPONSOR Recordkeeping Survey, June 2014 - #2 with 51,181 plans



WE'LL GIVE YOU AN EDGE®

Principal Life Insurance Company, Des Moines, Iowa 50392-0001
principal.com

Insurance products and plan administrative services are provided by Principal Life Insurance Company, a member of the Principal Financial Group®, Des Moines, IA 50392.

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